Dealerscope Merchandising's 66th Annual — Part II

STATISTICAL & MARKETING REPORT

THE DEALERSCOPE MERCHANDISING 66th Annual Statistical and Marketing Report has been organized into data on consumer electronics and major appliances, plus a market profile. This second and final part of the report contains five-year and one-year tables for major appliances, and a market profile.

The data is based on information provided by leading manufacturers. The dollar figures cited are not sales figures but rather estimated retail sales figures for the products shipped from factories in 1987.

In mailed questionnaires and telephone interviews, survey participants were asked to give their best estimates of the percent change in the number of units shipped industry wide for each line of merchandise. For this report, the change requested was for 1987 vs. 1986. Where a potential respondent disagreed with the 1986 estimate (published in DEALERSCOPE MERCHANDISING's March and April 1987 issues), the respondent was asked for a "corrected" 1986 figure. Respondents were advised that "shipments" as used in this study include products imported from foreign companies but exclude U.S. exports.

The number of units shipped in a particular year, therefore, represents the shipments of products available for sale in the United States.

Readers are cautioned that all information published in this 66th annual report is based on consensus rather than census. The questions asked of respondents referred to their opinions of industry-wide changes rather than to individual company performances. The manufacturers were not asked for the annual changes in their company's shipments or in retail prices of their own brand of merchandise. Instead, they were asked to indicate how much the overall total shipments had changed percentage-wise, and what changes there were in the average retail prices for the product category on which they were reporting.

The editors are grateful to the manufacturers and trade associations who provided their help.

MAJOR APPLIANCES

5 YEAR TABLES

Products	1987 Number Shipped (000)	1987 Retail Value ($000)	1986 Number Shipped (000)	1986 Retail Value ($000)	1985 Number Shipped (000)	1985 Retail Value ($000)	1984 Number Shipped (000)	1984 Retail Value ($000)	1983 Number Shipped (000)	1983 Retail Value ($000)
AIR TREATMENT APPLIANCES										
Air Cleaners, Electronic, Total	271	$123,687	237	$108,374	226	$98,710	220	$94,732	196	$82,032
Portable (Room-Type)***	79	24,670	73	22,571	70	20,707	69	20,050	61	17,209
Central & Duct-Mounted	192	99,017	164	85,803	156	78,003	151	74,682	135	64,823
Air Conditioners, Room	3,659	1,502,900	2,765	1,130,000	2,900	1,285,860	2,929	1,293,534	1,829	804,522
Dehumidifiers	708	113,674	553	90,700	586	106,265	587	107,198	437	79,643
Total Air Treatment	4,638	1,740,261	3,555	1,329,074	3,712	1,490,835	3,736	1,495,464	2,462	966,197
KITCHEN APPLIANCES										
CLEANUP APPLIANCES										
Dishwashers, Total	3,974	$1,569,043	3,874	$1,541,546	3,512	$1,416,284	3,428	$1,367,743	3,054	$1,205,383
Portable	255	106,357	247	104,017	249	106,059	245	102,310	267	113,771
Undercounter & Other	3,727	1,462,686	3,627	1,437,529	3,263	1,310,225	3,183	1,265,433	2,787	1,091,612
Disposers, Food Waste	4,175	500,954	4,196	494,037	4,068	468,715	4,052	465,939	3,514	395,009
Trash Compactors	210	64,865	187	61,193	175	55,312	178	55,159	152	48,406
COOKING APPLIANCES										
Microwave Ovens, Total	12,711	3,541,680	12,656	3,490,951	10,633	3,468,407	9,020	3,262,151	6,006	2,586,182
Countertop Only	11,046	2,600,114	11,010	2,719,784	9,163	2,594,870	7,700	2,422,882	4,951	1,832,811
Over-the-Range Only	1,028	392,804	1,005	356,123	900	348,345	783	336,807	570	281,757
Combination Units	285	314,711	278	304,657	314	322,885	309	317,496	290	297,420
Microwave/Convection	382	234,051	365	220,387	256	202,307	228	184,966	195	174,194
Ranges, Electric, Total†	3,618	1,660,003	3,532	1,589,181	3,218	1,517,307	3,164	1,476,969	2,839	1,299,044
Freestanding†	2,700	1,296,277	2,701	1,258,521	2,550	1,216,707	2,503	1,182,467	2,210	1,021,573
All Other†	918	363,726	831	330,660	668	300,600	661	294,502	629	277,471
Ranges, Gas, Total	2,132	992,114	1,895	880,755	1,807	821,371	1,736	785,236	1,578	694,995
Freestanding†	1,928	868,256	1,700	761,628	1,620	710,143	1,536	666,655	1,395	588,969
High-Oven	91	67,873	90	67,241	86	63,038	93	68,033	87	61,910
Built-In†	113	55,985	105	51,886	101	48,190	107	50,548	96	44,116
Ranges, Smoothtop	92	63,582	91	61,432	86	55,847	94	60,437	104	65,879

*Projected based on 10 months

**Manufacturers' value plus freight and insurance.

SOURCE: U.S. Dept. of Commerce

Products	1987* Number Imported (000)	1987* Value** ($000)	1986 Number Imported (000)	1986 Value** ($000)	1985 Number Imported (000)	1985 Value** ($000)	1984 Number Imported (000)	1984 Value** ($000)	1983 Number Imported (000)	1983 Value** ($000)
KITCHEN APPLIANCES *(Continued)*										
REFRIGERATOR/FREEZER										
Freezers (10 cu. ft. & over), Total	**1,180**	**526,275**	**1,154**	**517,842**	**1,140**	**546,095**	**1,114**	**544,515**	**1,166**	**568,077**
Chest	624	270,831	612	266,173	585	269,311	572	268,697	617	289,256
Upright	556	255,444	542	251,669	555	276,784	542	275,818	549	278,821
Refrigerators (6.5 cu. ft. & over)	**6,724**	**4,557,928**	**6,284**	**4,299,932**	**5,874**	**4,121,081**	**5,731**	**4,000,754**	**5,255**	**3,607,137**
(- Duplication)‡	(377)	(378,293)	(369)	(366,089)	(400)	(378,732)	(403)	(377,933)	(394)	(363,299)
Total Kitchen Appliances	**34,469**	**13,098,151**	**33,452**	**12,680,780**	**30,113**	**12,091,687**	**28,114**	**11,640,970**	**23,274**	**10,104,813**
HOME LAUNDRY										
Dryers, Total (25' or more in width)	**4,421**	**$1,544,755**	**4,114**	**$1,451,821**	**3,701**	**$1,325,534**	**3,484**	**$1,259,351**	**3,111**	**$1,102,076**
Electric	3,410	1,169,260	3,181	1,103,075	2,871	1,011,060	2,734	972,566	2,456	856,530
Gas	1,011	375,495	933	348,746	830	314,454	750	286,785	655	245,546
Washers (25 in. or more in width)	**5,643**	**2,479,943**	**5,430**	**2,379,867**	**4,925**	**2,230,502**	**4,711**	**2,154,404**	**4,315**	**1,931,793**
Automatic & Semi-Automatic	5,610	2,470,813	5,397	2,370,767	4,888	2,220,423	4,673	2,144,206	4,264	1,918,160
Wringer & Spinner	33	9,130	33	9,100	37	10,079	38	10,198	51	13,633
Total Home Laundry	**10,064**	**4,024,698**	**9,544**	**3,831,688**	**8,626**	**3,556,036**	**8,195**	**3,413,755**	**7,426**	**3,033,869**
COMPACT APPLIANCES										
Refrigerators (under 6.5 cu. ft.)	**702**	**$144,460**	**647**	**$136,283**	**783**	**$167,241**	**602**	**$126,059**	**568**	**$116,605**
Freezers (under 10 cu. ft.)	**252**	**74,910**	**243**	**74,168**	**237**	**73,055**	**247**	**77,691**	**242**	**74,626**
Washers (under 25 in. in width)	**330**	**102,525**	**312**	**97,042**	**303**	**92,236**	**293**	**88,310**	**278**	**83,622**
Dryers (under 25 in. in width)	**209**	**70,947**	**198**	**67,408**	**189**	**66,394**	**183**	**63,649**	**171**	**59,238**
Total Compact Appliances	**1,493**	**392,842**	**1,400**	**374,901**	**1,512**	**398,926**	**1,325**	**355,709**	**1,259**	**334,091**

*** Retailing for $200 or more † Includes microwave oven combinations ‡ Microwave oven combinations and smoothtop ranges

IMPORTS/EXPORTS

Products	1987* Number Imported (000)	1987* Value** ($000)	1986 Number Imported (000)	1986 Value** ($000)	1985 Number Imported (000)	1985 Value** ($000)	1984 Number Imported (000)	1984 Value** ($000)	1983 Number Imported (000)	1983 Value** ($000)
MAJOR APPLIANCE IMPORTS										
Freezers	167	$ 43,074	198	$ 42,440	35	$ 4,129	96	$ 21,973	80	$ 16,710
Microwave Ovens	8,724	674,290	8,787	769,169	12,681	775,578	4,471	559,142	2,472	341,177
Refrigerator/Freezer Combination (under 6.5 cu. ft.)	1,415	80,628	1,309	69,709	997	61,763	705	50,146	462	31,599
Refrigerator/Freezer Combination (6.5-9.5 cu. ft.)	75	9,972	53	7,653	50	7,174	135	10,424	103	7,339
Refrigerator/Freezer Combination (9.5-13.5 cu. ft.)	163	27,407	148	29,546	142	26,559	217	29,713	208	25,481
Refrigerator/Freezer Combination (13.5 cu. ft. & over)	55	21,567	35	13,632	24	9,887	15	4,672	10	3,651
Total Refrigerator/Freezer Combination	**1,708**	**139,574**	**1,545**	**120,540**	**1,213**	**105,383**	**1,072**	**94,955**	**783**	**68,070**

*Projected based on 10 months **Dollars paid by importers excluding duty, freight, insurance, etc. SOURCE: U.S. Dept. of Commerce

Products	1987* Number Exported (000)	1987* Value** ($000)	1986 Number Exported (000)	1986 Value** ($000)	1985 Number Exported (000)	1985 Value** ($000)	1984 Number Exported (000)	1984 Value** ($000)	1983 Number Exported (000)	1983 Value** ($000)
MAJOR APPLIANCE EXPORTS										
Dishwashers	58	$19,268	38	$13,653	37	$12,465	62	$15,330	63	$15,409
Dryers	64	19,492	55	16,396	45	13,058	53	14,081	48	11,582
Freezers	21	9,742	16	7,982	17	7,544	24	10,657	26	12,766
Microwave Ovens	488	69,785	275	47,212	190	35,193	156	34,782	87	21,636
Ranges, Electric	51	17,842	32	11,034	40	14,719	46	16,233	56	17,604
Refrigerators	239	120,627	121	66,768	102	55,752	148	80,808	188	100,976
Room Air Conditioners	97	35,597	48	17,866	53	20,894	96	35,108	181	66,910
Washers, Automatic	235	74,799	145	46,316	100	31,918	104	31,586	115	34,726
Washers, Other	12	3,163	7	1,892	16	4,167	29	7,521	28	7,052

*Projected based on 10 months ** Manufacturers' value plus freight and insurance. SOURCE: U.S. Dept. of Commerce

66TH ANNUAL STATISTICAL & MARKETING REPORT — PART II

Compact Freezers

Based on 252,000 units for '87 and 243,000 for '86
Compact freezer shipments by retail price range

	% of shipments		% change in units shipped
	1987	1986	1987/86
Under $190	7.0	7.5	-3.2
$190-$210	28.5	27.5	+7.5
$211-$240	38.5	38.8	+2.9
$241-$280	17.0	17.0	+3.7
Over $280	9.0	9.2	+1.4
TOTAL	100.0	100.0	+3.7

Compact freezer shipments by size

	% of shipments		% change in units shipped
	1987	1986	1987/86
4 cu. ft.	10.5	11.3	-3.6
5-6 cu. ft.	25.0	25.0	+3.7
7-8 cu. ft.	28.5	27.7	+6.7
9-9.9 cu ft.	36.0	36.0	+3.7
TOTAL	100.0	100.0	+3.7

HOME LAUNDRY APPLIANCES

Washers

Based on 5,643,000 units for '87 and 5,430,000 for '86
Washer shipments by capacity

	% of shipments		% change in units shipped
	1987	1986	1987/86
12 lb. & under	19.3	17.5	+14.6
14 lb.	12.0	13.5	-7.6
16 lb.	16.7	18.0	-3.6
18 lb. & over	52.0	51.0	+6.0
TOTAL	100.0	100.0	+3.9

Washer shipments by color

	% of shipments		% change in units shipped
	1987	1986	1987/86
Almond	37.2	36.3	+6.5
Harvest Gold	1.7	2.8	-36.9
White	59.6	59.2	+4.6
Other	1.5	1.7	-8.3
TOTAL	100.0	100.0	+3.9

Washer shipments by internal control type

	% of shipments		% change in units shipped
	1987	1986	1987/86
Electronic Solid-State	8.8	7.3	+25.3
Mechanical	91.2	92.7	+2.3
TOTAL	100.0	100.0	+3.9

Washer shipments by portability

	% of shipments		% change in units shipped
	1987	1986	1987/86
Portable	15.0	4.5	+246.5
Not Portable	85.0	95.5	-7.5
TOTAL	100.0	100.0	+3.9

Washer shipments by number of cycles

	% of shipments		% change in units shipped
	1987	1986	1987/86
1-2 Cycles	24.0	25.5	-2.2
3-4 Cycles	76.0	74.5	+6.0
TOTAL	100.0	100.0	+3.9

Washer shipments by retail price range

	% of shipments		% change in units shipped
	1987	1986	1987/86
Under $200	1.3	1.7	-20.5
$200-$250	2.0	2.3	-9.6
$251-$300	19.0	18.8	+5.0
$301-$350	11.7	12.3	-1.1
$351-$400	20.0	19.2	+8.3
$401-$500	30.7	30.0	+6.4
Over $500	15.3	15.7	+1.3
TOTAL	100.0	100.0	+3.9

Washer sales by type of outlet

	% of shipments		% change in units shipped
	1987	1986	1987/86
Appliance/TV Store	34.0	32.8	+7.7
Builder/Contractor	4.4	3.9	+17.3
Catalog Showroom	1.0	1.1	-5.5
Catalog Store	41.0	42.2	+1.0
Department Store	6.0	5.5	+13.4
Discount Store	6.7	7.2	-3.3
Furniture Store	2.6	3.1	-12.8
Other	4.3	4.2	+6.4
TOTAL	100.0	100.0	+3.9

Gas Ranges

Based on 2,132,000 units for '87 and 1,895,000 for '86
Gas range shipments by cleaning system

	% of shipments		% change in units shipped
	1987	1986	1987/86
With Self-Cleaning Ovens	16.3	16.1	+13.9
With Continuous-Clean Ovens	24.0	25.9	+4.3
Without Cleaning Systems	59.7	58.0	+15.8
TOTAL	100.0	100.0	+12.5

Gas range shipments which accept options (i.e. grills, deep fat fryers, rotisseries)

	% of shipments		% change in units shipped
	1987	1986	1987/86
Accept Options	4.0	3.5	+28.6
Do Not Accept Options	96.0	96.5	+11.9
TOTAL	100.0	100.0	+12.5

Gas range shipments with double oven

	% of shipments		% change in units shipped
	1987	1986	1987/86
Double Oven	11.5	12.7	+1.9
Other	88.5	87.3	+14.1
TOTAL	100.0	100.0	+12.5

Gas range shipments by size

	% of shipments		% change in units shipped
	1987	1986	1987/86
24 in. & under	8.0	8.5	+5.9
30 in.	83.7	82.0	+14.8
36 in.	4.7	2.5	+111.5
40 in.	3.6	7.0	-42.1
TOTAL	100.0	100.0	+12.5

Dryers

Based on 4,421,000 units for '87 and 4,114,000 for '86
Dryer shipments by internal control type

	% of shipments		% change in units shipped
	1987	1986	1987/86
Electronic Solid-State	8.6	7.3	+26.6
Mechanical	91.4	92.7	+6.0
TOTAL	100.0	100.0	+7.5

Dryer shipments by number of cycles

	% of shipments		% change in units shipped
	1987	1986	1987/86
1-2 Cycles	37.0	38.5	+3.3
3-4 Cycles	63.0	61.5	+10.1
TOTAL	100.0	100.0	+7.5

Dryer shipments by type

	% of shipments		% change in units shipped
	1987	1986	1987/86
Automatic Fabric Settings	76.6	76.2	+8.0
Time-Dry	23.4	23.8	+5.7
TOTAL	100.0	100.0	+7.5

Dryer shipments by color

	% of shipments		% change in units shipped
	1987	1986	1987/86
Almond	39.0	38.1	+10.0
Harvest Gold	1.8	2.8	-30.9
White	57.9	57.6	+8.0
Other	1.3	1.5	-6.9
TOTAL	100.0	100.0	+7.5

Dryer shipments by retail price range

	% of shipments		% change in units shipped
	1987	1986	1987/86
Under $200	2.7	3.1	-6.4
$200-$250	5.0	4.7	+14.3
$251-$300	18.7	19.7	+2.0
$301-$350	31.3	31.0	+8.5
$351-$400	21.6	20.5	+13.2
$401-$500	12.7	13.3	+2.6
Over $500	8.0	7.7	+11.6
TOTAL	100.0	100.0	+7.5

Dryer sales by type of outlet

	% of shipments		% change in units shipped
	1987	1986	1987/86
Appliance/TV Store	33.3	32.2	+11.1
Builder/Contractor	4.0	4.3	—
Catalog Showroom	2.0	2.5	-14.0
Catalog Store	42.3	42.8	+6.2
Department Store	5.3	5.3	+7.5
Disccount Store	6.7	7.1	+1.4
Furniture Store	2.7	2.6	+11.6
Other	3.7	3.2	+24.3
TOTAL	100.0	100.0	+7.5

KITCHEN APPLIANCES: REFRIGERATORS/ FREEZERS

Refrigerators

Based on 6,724,000 units for '87 and 6,284,000 for '86
Refrigerator shipments by size

	% of shipments		% change in units shipped
	1987	1986	1987/86
6.5-11 cu. ft.	6.0	5.8	+10.7
12-13 cu. ft.	5.0	5.4	-0.9
14-15 cu. ft.	20.0	19.9	+7.5
16-17 cu. ft.	21.5	20.5	+12.2
18-19 cu. ft.	22.0	23.9	-1.5
20-21 cu. ft.	13.0	12.7	+9.5
22 cu. ft. or more	12.5	11.8	+13.3
TOTAL	100.0	100.0	+7.0

Refrigerator shipments by defrosting system

	% of shipments		% change in units shipped
	1987	1986	1987/86
No-Frost	87.0	89.2	+4.4
All Others	13.0	10.8	+28.8
TOTAL	100.0	100.0	+7.0

Refrigerator shipments by freezing compartment

	% of shipments		% change in units shipped
	1987	1986	1987/86
Top-Mount	75.5	76.0	+6.3
Bottom-Mount	2.0	1.9	+12.6
Side-by-Side	17.0	17.4	+4.5
Single Door	5.5	4.7	+25.2
TOTAL	100.0	100.0	+7.0

Refrigerator shipments with energy-saving devices

	% of shipments		% change in units shipped
	1987	1986	1987/86
With Energy-Saving Devices	93.0	91.0	+9.4
Without Energy-Saving Devices	7.0	9.0	-16.8
TOTAL	100.0	100.0	+7.0

66TH ANNUAL STATISTICAL & MARKETING REPORT — PART II

Refrigerators *(Continued)*

Refrigerator shipments with automatic ice makers

	% of shipments		% change in units shipped
	1987	1986	1987/86
With Ice Makers	20.0	16.8	+27.4
Without Ice Makers	80.0	83.2	+ 2.9
TOTAL	100.0	100.0	+ 7.0

Refrigerator shipments by retail price range

	% of shipments		% change in units shipped
	1987	1986	1987/86
Under $300	5.5	5.3	+11.0
$300-$399	11.0	9.9	+18.9
$400-$499	15.5	13.8	+20.2
$500-$649	25.5	26.1	– 2.9
$650-$799	19.5	20.3	+ 2.8
$800-$1,000	13.5	13.7	+ 5.4
Over $1,000	9.5	8.9	+14.2
TOTAL	100.0	100.0	+ 7.0

Refrigerator shipments by color

	% of shipments		% change in units shipped
	1987	1986	1987/86
Almond	63.5	60.1	+13.1
Harvest Gold	2.0	3.8	–43.7
White	33.5	33.1	+ 8.3
Other	1.0	3.0	–64.3
TOTAL	100.0	100.0	+ 7.0

Refrigerator sales by type of outlet

	% of shipments		% change in units shipped
	1987	1986	1987/86
Appliance/TV Store	37.0	36.0	+10.0
Builder/Contractor	12.5	13.3	+ 0.6
Catalog Showroom	1.0	1.2	–10.8
Catalog Store	31.5	30.9	+ 9.1
Department Store	3.5	3.9	– 4.0
Discount Store	3.5	4.1	– 8.7
Furniture Store	3.0	2.9	+10.7
Home Improvement Center	4.5	3.5	+37.6
Kitchen Remodeler	3.0	3.3	– 2.7
Other	0.5	0.9	–40.6
TOTAL	100.0	100.0	+ 7.0

Refrigerator (top-mount freezer) shipments with through-the-door ice and/or water

	% of shipments		% change in units shipped
	1987	1986	1987/86
With Through-the-Door Options	5.5	5.0	+16.9
Without Through-the-Door Options	94.5	95.0	+ 5.7
TOTAL	100.0	100.0	+ 6.3

Based on 5,077,000 units for '87 and 4,776,000 for '86

Refrigerator (side-by-side freezer) shipments with through-the-door ice and/or water

	% of shipments		% change in units shipped
	1987	1986	1987/86
With Through-the-Door Options	31.0	29.5	+ 9.9
Without Through-the-Door Options	69.0	70.5	+ 2.4
TOTAL	100.0	100.0	+ 4.6

Based on 1,143,000 units for '87 and 1,093,000 for '86

Freezers

Based on 1,180,000 units for '87 and 1,154,000 for '86

Freezer shipments by size

	% of shipments		% change in units shipped
	1987	1986	1987/86
10-14 cu. ft.	18.7	17.9	+ 6.8
15 cu. ft.	29.7	27.8	+ 9.2
16-17 cu. ft.	18.7	16.1	+18.8
18-19 cu. ft.	11.3	11.9	– 2.9
20 cu. ft. or more	21.6	26.3	–16.0
TOTAL	100.0	100.0	+ 2.3

Freezer shipments by defrosting system

	% of shipments		% change in units shipped
	1987	1986	1987/86
No-Frost	6.7	6.1	+12.3
All Others	93.3	93.9	+ 1.6
TOTAL	100.0	100.0	+ 2.3

Freezer shipments by retail price range

	% of shipments		% change in units shipped
	1987	1986	1987/86
Under $300	27.3	27.5	+ 1.5
$300-$399	34.7	34.5	+ 2.8
$400-$499	21.7	22.5	– 1.4
$500-$600	8.5	8.8	– 1.2
Over $600	7.8	6.7	+19.0
TOTAL	100.0	100.0	+ 2.3

Freezer shipments by color

	% of shipments		% change in units shipped
	1987	1986	1987/86
Almond	19.7	20.3	– 0.8
White	79.3	79.0	+ 2.6
Other	1.0	0.7	+46.0
TOTAL	100.0	100.0	+ 2.3

Freezer sales by type of outlet

	% of shipments		% change in units shipped
	1987	1986	1987/86
Appliance/TV Store	20.3	18.6	+11.6
Builder/Contractor	0.3	0.5	–38.6
Catalog Store	50.7	50.6	+ 2.5
Department Store	6.3	8.9	–27.6
Discount Store	9.3	10.2	– 6.8
Furniture Store	4.7	3.7	+29.9
Home Improvement Center	1.7	1.7	+ 2.2
Kitchen Remodeler	0.7	0.7	+ 2.2
Other	6.0	5.1	+20.3
TOTAL	100.0	100.0	+ 2.3

COMPACT APPLIANCES

Compact Refrigerators

Based on 702,000 units for '87 and 647,000 for '86

Compact refrigerator shipments by retail price range

	% of shipments		% change in units shipped
	1987	1986	1987/86
Under $120	36.5	34.3	+15.5
$120-$149	31.5	29.7	+15.1
$150-$180	22.0	24.0	– 0.5
Over $180	10.0	12.0	– 9.6
TOTAL	100.0	100.0	+ 8.5

Compact refrigerator shipments by size

	% of shipments		% change in units shipped
	1987	1986	1987/86
2 cu. ft.	24.5	27.5	– 3.3
3 cu. ft.	10.0	9.5	–14.2
4.5 cu. ft.	41.0	40.5	+ 9.8
4.6-6.4 cu. ft.	24.5	22.5	+18.1
TOTAL	100.0	100.0	+ 8.5

AIR TREATMENT

Air Conditioners

Based on 3,659,000 units for '87 and 2,765,000 for '86

Room air conditioner shipments by E.E.R. rating

	% of shipments		% change in units shipped
	1987	1986	1987/86
High E.E.R. (7.5 & over)	75.0	65.7	+51.1
Low E.E.R. (under 7.5)	25.0	34.3	– 3.5
TOTAL	100.0	100.0	+32.3

Room air conditioner shipments by type of controls

	% of shipments		% change in units shipped
	1987	1986	1987/86
Electronic Solid-State	8.7	4.5	+155.8
Mechanical	91.3	95.5	+ 26.5
TOTAL	100.0	100.0	+ 32.3

Room air conditioner shipments by installation type

	% of shipments		% change in units shipped
	1987	1986	1987/86
Regular	87.0	84.6	+36.1
Casement	3.3	3.1	+40.9
Through-the-Wall	9.7	12.3	+ 4.4
TOTAL	100.0	100.0	+32.3

Room air conditioner shipments by size of unit

	% of shipments		% change in units shipped
	1987	1986	1987/86
Under 7,000 BTUs	35.7	34.4	+37.3
7,000-10,999 BTUs	28.7	29.1	+30.5
11,000-19,999 BTUs	26.3	26.8	+29.9
20,000 BTUs & over	9.3	9.7	+26.9
TOTAL	100.0	100.0	–32.3

Room air conditioner shipments by retail price range

	% of shipments		% change in units shipped
	1987	1986	1987/86
Under $150	2.7	4.2	–14.9
$151-$250	25.0	22.9	+44.5
$251-$350	27.7	27.2	+34.8
$351-$450	24.3	23.9	+34.5
$451-$550	11.3	11.5	+30.0
$551-$650	5.0	4.9	+35.0
$651-$750	2.0	2.5	+ 5.9
Over $750	2.0	2.9	– 8.7
TOTAL	100.0	100.0	+32.3

Room air conditioner sales by type of outlet

	% of shipments		% change in units shipped
	1987	1986	1987/86
Appliance/TV Store	40.7	38.8	+ 38.8
Builder/Contractor	2.3	2.4	+ 26.8
Catalog Showroom	2.0	1.8	+ 47.0
Catalog Store	21.3	20.9	+ 34.9
Department Store	6.0	8.3	– 4.3
Discount Store	19.7	18.8	+ 38.7
Furniture Store	1.7	1.6	+ 40.6
Home Improvement Center	3.7	1.9	+157.7
Other	2.6	5.5	– 37.5
TOTAL	100.0	100.0	+ 32.3

AIR TREATMENT

Dehumidifiers

Based on 708,000 units for '87 and 553,000 for '86

Dehumidifier sales by type of outlet

	% of shipments		% change in units shipped
	1987	1986	1987/86
Appliance/TV Store	33.0	29.0	+ 45.7
Builder/Contractor	3.0	—	—
Catalog Showroom	0.5	2.5	– 74.4
Catalog Store	32.0	35.5	+ 15.4
Department Store	3.5	2.0	+124.1
Discount Store	7.5	6.5	+ 47.7
Furniture Store	4.0	6.0	– 14.6
Home Improvement Center	3.5	6.5	– 31.1
Warehouse Club (Membership)	.8	—	—
Wholesale Club (Non-Membership)	1.7	1.0	+124.1
Other	10.5	11.0	+ 22.2
TOTAL	100.0	100.0	+ 28.0

KITCHEN APPLIANCES: CLEANUP

Dishwashers

Based on 3,982,000 units for '87 and 3,874,000 for '86
Dishwasher shipments by color

	% of shipments		% change in units shipped
	1987	1986	1987/86
Almond	12.7	13.2	– 1.1
Black	3.0	3.9	– 20.9
Harvest Gold	1.0	1.1	– 6.5
Wheat	1.0	1.1	– 6.5
White	6.8	7.0	– 0.1
Multipanel Packages	75.0	73.3	+ 5.2
Other	0.5	0.4	+ 28.5
TOTAL	100.0	100.0	+ 2.8

Dishwasher sales by type of outlet

	% of shipments		% change in units shipped
	1987	1986	1987/86
Appliance/TV Store	29.3	27.8	+ 8.3
Builder/Contractor	25.3	27.6	– 5.8
Catalog Showroom	1.3	0.8	+ 67.0
Catalog Store	20.7	20.4	+ 4.3
Department Store	1.0	1.8	– 42.9
Discount Store	3.7	4.5	– 15.5
Furniture Store	1.3	1.3	+ 2.8
Home Improvement Center	3.0	2.2	+ 40.1
Kitchen Remodeler	11.7	10.6	+ 13.4
Plumbing Contractor	1.3	1.3	+ 2.8
Other	1.4	1.7	– 15.4
TOTAL	100.0	100.0	+ 2.8

Dishwasher shipments by type of controls

	% of shipments		% change in units shipped
	1987	1986	1987/86
Electronic Solid-State	8.3	6.5	+ 30.5
Other	91.7	93.5	+ 0.9
TOTAL	100.0	100.0	+ 2.8

Dishwasher shipments with hot water boosters

	% of shipments		% change in units shipped
	1987	1986	1987/86
With Hot Water Booster	64.0	57.3	+ 14.8
Without Hot Water Booster	36.0	42.7	– 13.3
TOTAL	100.0	100.0	+ 2.8

Dishwasher shipments with drying option

	% of shipments		% change in units shipped
	1987	1986	1987/86
With Energy-Saving Drying Option	82.3	73.7	+ 14.8
Without Drying Option	17.7	26.3	– 30.8
TOTAL	100.0	100.0	+ 2.8

Dishwasher shipments with delay start

	% of shipments		% change in units shipped
	1987	1986	1987/86
With Delay Start	9.3	8.3	+ 15.2
Without Delay Start	90.7	91.7	+ 1.7
TOTAL	100.0	100.0	+ 2.8

Based on 3,727,000 units for '87 and 3,627,000 for '86
Portable dishwasher shipments by retail price range

	% of shipments		% change in units shipped
	1987	1986	1987/86
Under $250	8.0	9.4	– 12.1
$250-$299	15.7	16.8	– 3.5
$300-$349	25.0	24.4	+ 5.8
$350-$399	22.7	20.0	+ 17.2
$400-$450	13.3	13.2	+ 4.0
Over $450	15.3	16.2	– 2.5
TOTAL	100.0	100.0	+ 3.2

Based on 255,000 units for '87 and 247,000 for '86
Built-in dishwasher shipments by retail price range

	% of shipments		% change in units shipped
	1987	1986	1987/86
Under $250	6.3	6.1	+ 6.1
$250-$299	12.3	13.9	– 9.1
$300-$349	19.3	19.9	– 0.3
$350-$399	22.0	20.5	+ 10.3
$400-$450	14.7	14.1	+ 7.1
Over $450	25.4	25.5	+ 2.4
TOTAL	100.0	100.0	+ 2.8

Food Waste Disposers

Based on 4,175,000 units for '87 and 4,196,000 for '86
Food waste disposer sales by type of outlet

	% of shipments		% change in units shipped
	1987	1986	1987/86
Appliance/TV Store	13.5	13.5	– 0.5
Builder/Contractor	16.5	16.2	+ 1.3
Catalog Store	16.0	17.0	– 6.4
Department Store	1.5	2.0	– 25.4
Home Improvement Center	22.5	21.0	+ 6.6
Kitchen Remodeler	12.0	12.0	– 0.5
Plumbing Contractor	17.0	17.0	– 0.5
Other	1.0	1.3	– 23.5
TOTAL	100.0	100.0	– 0.5

Trash Compactors

Based on 210,000 units for '87 and 187,000 for '86
Trash compactor sales by type of outlet

	% of shipments		% change in units shipped
	1987	1986	1987/86
Appliance/TV Store	25.5	26.3	+ 8.9
Builder/Contractor	20.5	21.3	+ 8.1
Catalog Showroom	1.0	0.5	+ 123.4
Catalog Store	22.5	18.2	+ 38.8
Department Store	3.5	5.3	– 25.8
Discount Store	1.0	1.3	– 13.6
Home Improvement Center	3.5	4.3	– 8.6
Kitchen Remodeler	22.5	22.8	+ 10.8
TOTAL	100.0	100.0	+ 12.3

Trash compactor shipments by color

	% of shipments		% change in units shipped
	1987	1986	1987/86
Almond	45.0	48.7	+ 3.8
Black	10.0	1.5	+ 647.3
Harvest Gold	1.5	1.8	– 6.5
Wheat	4.5	7.5	– 32.6
White	36.0	35.0	+ 15.5
Other	3.0	5.5	– 38.8
TOTAL	100.0	100.0	+ 12.3

KITCHEN APPLIANCES: COOKING

Microwave Ovens

Microwave oven sales by type of outlet

	% of shipments		% change in units shipped
	1987	1986	1987/86
Appliance/TV Store	26.7	28.5	– 5.7
Builder/Contractor	1.0	1.2	– 16.1
Catalog Showroom	3.8	2.6	+ 47.1
Catalog Store	32.3	30.9	+ 5.2
Department Store	4.7	7.9	– 40.1
Discount Store	14.2	13.6	+ 5.1
Furniture Store	1.7	2.3	– 25.6
Home Improvement Center	1.0	0.6	+ 67.8
Kitchen Remodeler	1.0	1.1	– 8.5
Microwave Specialty Store	2.0	2.6	– 22.6
Warehouse/Wholesale Club	3.6	1.5	+ 141.6
Other	8.0	7.2	+ 11.8
TOTAL	100.0	100.0	+ 0.7

Based on 12,741,000 units for '87 and 12,658,000 for '86
Microwave/convection oven shipments by type of unit

	% of shipments		% change in units shipped
	1987	1986	1987/86
Countertop	86.7	82.9	+ 9.5
Full Range Size	13.3	17.1	– 18.6
TOTAL	100.0	100.0	+ 4.7

Based on 382,000 units for '87 and 365,000 for '86
Countertop microwave oven shipments by retail price range

	% of shipments		% change in units shipped
	1987	1986	1987/86
Under $200	54.0	43.1	+ 25.7
$200-$249	16.3	17.0	– 3.8
$250-$299	10.7	14.6	– 26.5
$300-$349	6.7	8.5	– 20.9
$350-$399	6.7	5.5	+ 22.2
$400-$499	3.6	8.4	– 57.0
$500-$600	1.0	2.1	– 52.2
Over $600	1.0	0.8	+ 25.4
TOTAL	100.0	100.0	+ 0.3

Based on 11,046,000 units for '87 and 11,010 for '8[illegible]
Countertop microwave oven shipments by size range

	% of shipments		% change in units shipped
	1987	1986	1987/86
Less than 0.5 cu. ft.	21.0	15.1	+ 39.5
0.5-0.7 cu. ft.	20.7	23.1	– 10.1
0.8-1.0 cu. ft.	22.0	25.3	– 12.8
1.1-1.3 cu. ft.	25.7	19.7	+ 30.9
1.4 cu. ft. & over	10.6	16.8	– 36.7
TOTAL	100.0	100.0	+ 0.3

Ranges

Based on 5,750,000 units for '87 and 5,427,000 for '86
Range shipments by color

	% of shipments		% change in units shipped
	1987	1986	1987/86
Almond	54.7	58.9	+ 1.6
Black	4.4	6.3	– 26.0
Harvest Gold	3.7	2.5	+ 56.84
Metallics	8.7	—	—
Wheat	0.7	0.5	+ 48.3
White	26.9	25.0	+ 14.0
Other	0.9	6.8	– 86.0
TOTAL	100.0	100.0	+ 6.0

Range sales by type of outlet

	% of shipments		% in change in units shipped
	1987	1986	1987/86
Appliance/TV Store	39.8	40.3	+ 4.6
Builder/Contractor	9.8	9.2	+ 12.9
Catalog Showroom	0.8	1.0	– 15.2
Catalog Store	16.0	26.1	– 35.0
Department Store	1.5	3.0	– 47.0
Discount Store	2.7	3.6	– 20.5
Furniture Store	2.2	2.8	– 16.8
Home Improvement Center	1.5	2.0	– 20.5
Kitchen Remodeler	21.0	9.7	+ 129.4
Other	4.7	2.3	+ 116.5
TOTAL	100.0	100.0	+ 6.0

Electric Ranges

Based on 3,618,000 units for '87 and 3,532,000 for '86
Electric range shipments by installation type

	% of shipments		% change in units shipped
	1987	1986	1987/86
Freestanding	69.8	73.0	– 2.1
Slide-In	4.7	4.7	+ 2.4
Drop-In	6.7	7.1	– 3.3
Cooktop	10.0	8.2	+ 24.9
Built-In Wall Oven	8.8	7.0	+ 28.8
TOTAL	100.0	100.0	+ 2.4

Electric range shipments by cleaning system

	% of shipments		% change in units shipped
	1987	1986	1987/86
With Self-Cleaning Ovens	53.0	59.7	– 9.1
With Continuous-Clean Ovens	10.8	12.1	– 8.6
Without Cleaning Systems	36.2	28.2	+31.5
TOTAL	100.0	100.0	+ 2.4

Electric range shipments which accept options (i.e. grills, deep fat fryers, rotisseries)

	% of shipments		% change in units shipped
	1987	1986	1987/86
Accept Options	9.8	9.5	+ 5.7
Do Not Accept Options	90.2	90.5	+ 2.1
TOTAL	100.0	100.0	+ 2.4

Electric range shipments with double oven

	% of shipments		% change in units shipped
	1987	1986	1987/86
Double-Oven	14.3	14.3	+ 2.4
Other	85.7	85.7	+ 2.4
TOTAL	100.0	100.0	+ 2.4

Electric range shipments by size

	% of shipments		% change in units shipped
	1987	1986	1987/86
24 in. & under	3.7	4.2	– 9.8
30 in.	92.9	93.4	+ 1.9
36 in.	2.4	1.3	+89.1
40 in.	1.0	1.1	– 6.9
TOTAL	100.0	100.0	+ 2.4

COMING IN MAY

Dealerscope Merchandising

"400 ISSUE"

MARKET PROFILES

RESIDENTIAL

SOURCE: Edison Electric Institute (Average Residential Customers for the Total Electric Utility Industry)

Third Quarter '87	Number	Percent Change 87/86
New England	**5,079,845**	**+ 3.0**
Connecticut	1,252,004	+ 2.5
Maine	534,147	+ 2.5
Massachusetts	2,226,059	+ 3.3
New Hampshire	450,163	+ 4.6
Rhode Island	367,539	+ 2.0
Vermont	241,933	+ 2.4
Middle Atlantic	**13,330,181**	**+ 1.4**
New Jersey	2,787,400	+ 2.1
New York	6,080,143	+ 1.2
Pennsylvania	4,462,638	+ 1.3
East North Central	**16,425,546**	**+ 1.2**
Illinois	4,230,875	+ 1.0
Indiana	2,089,303	+ 1.8
Michigan	3,527,716	+ 1.4
Ohio	4,673,142	+ 1.1
Wisconsin	1,904,510	+ 1.3
West North Central	**7,022,017**	**+ 1.5**
Iowa	1,132,617	+ 0.5
Kansas	997,282	+ 1.7
Minnesota	1,661,570	+ 1.8
Missouri	2,050,179	+ 2.1
Nebraska	643,050	+ 1.5
North Dakota	258,390	+ 0.1
South Dakota	278,929	+ 1.0
South Atlantic	**16,579,476**	**+ 3.1**
Delaware	259,078	+ 2.8
District of Columbia	185,108	+ 1.3
Florida	5,253,481	+ 4.0
Georgia	2,423,356	+ 2.7
Maryland	1,610,421	+ 3.2
North Carolina	2,631,056	+ 2.9
South Carolina	1,334,789	+ 2.2
Virginia	2,149,982	+ 3.2
West Virginia	732,205	+ 0.7
East South Central	**5,809,774**	**+ 0.6**
Alabama	1,564,147	+ 1.2
Kentucky	1,420,568	+ 0.8
Mississippi	949,611	+ 0.5
Tennessee	1,875,448	+ 0.0
West South Central	**10,147,249**	**+ 0.2**
Arkansas	958,622	+ 0.8
Louisiana	1,601,218	– 0.2
Oklahoma	1,320,011	– 1.0
Texas	6,267,398	+ 0.4
Mountain	**5,054,631**	**+ 2.5**
Arizona	1,296,100	+ 4.8
Colorado	1,344,134	+ 1.5
Idaho	386,583	+ 0.8
Montana	338,952	+ 0.1
Nevada	404,293	+ 5.4
New Mexico	547,547	+ 2.2
Utah	539,325	+ 2.0
Wyoming	197,697	– 1.8
Pacific	**13,115,795**	**+ 2.7**
Alaska	176,898	– 4.1
California	9,747,413	+ 3.1
Hawaii	295,677	+ 2.8
Oregon	1,074,619	+ 1.1
Washington	1,821,188	+ 2.4
TOTAL U.S.A.	**92,564,514**	**+ 1.8**

HOUSING PERMITS

SOURCE: U.S. Department of Commerce (Housing Units Authorized by Building Permits)

Projected from 11 months	Number	Percent Change 87/86
New England	**110,996**	**+ 0.6**
Connecticut	26,660	– 2.2
Maine	9,634	+ 3.2
Massachusetts	40,302	– 9.5
New Hampshire	14,245	– 16.6
Rhode Island	6,809	– 4.5
Vermont	4,652	– 6.7
Middle Atlantic	**173,106**	**– 0.6**
New Jersey	54,733	– 7.2
New York	59,473	+ 0.1
Pennsylvania	58,900	+ 5.7
East North Central	**195,595**	**– 0.7**
Illinois	50,218	– 5.0
Indiana	28,267	– 8.2
Michigan	47,561	+ 0.2
Ohio	45,699	+ 5.2
Wisconsin	23,850	+ 6.5
West North Central	**94,464**	**– 1.6**
Iowa	6,536	+ 8.5
Kansas	11,677	– 8.9
Minnesota	35,776	+ 6.4
Missouri	31,491	– 6.7
Nebraska	5,202	– 15.4
North Dakota	1,859	+ 15.5
South Dakota	1,923	– 4.3
South Atlantic	**438,052**	**– 8.5**
Delaware	6,991	+ 29.3
District of Columbia	1,352	+ 203.8
Florida	175,663	– 7.4
Georgia	64,655	– 15.5
Maryland	44,864	+ 4.8
North Carolina	54,552	– 13.4
South Carolina	21,746	– 18.5
Virginia	66,446	– 8.0
West Virginia	1,783	– 1.6
East South Central	**65,724**	**– 16.7**
Alabama	14,682	– 24.2
Kentucky	13,236	– 5.9
Mississippi	6,025	– 23.0
Tennessee	31,781	– 15.6
West South Central	**70,869**	**– 40.6**
Arkansas	6,547	– 24.7
Louisiana	7,639	– 26.7
Oklahoma	6,062	– 26.1
Texas	50,621	– 45.0
Mountain	**94,305**	**– 31.1**
Arizona	39,139	– 34.7
Colorado	17,557	– 41.2
Idaho	3,340	– 14.8
Montana	859	– 20.8
Nevada	15,827	– 0.5
New Mexico	9,161	– 20.0
Utah	7,832	– 43.7
Wyoming	590	– 32.6
Pacific	**297,696**	**– 14.2**
Alaska	821	– 37.9
California	241,984	– 17.5
Hawaii	6,603	– 1.4
Oregon	11,630	+ 16.8
Washington	36,658	+ 2.5
TOTAL U.S.A.	**1,532,113**	**– 11.9**

PEOPLE ON THE MOVE

Whirlpool names **H.W. Bowman**, corporate VP, Whirlpool Corp. and president of Whirlpool Appliance Group; **Kenneth W. Kaminski**, corporate VP of Whirlpool Corp. and president of KitchenAid Appliance Group; **William D. Marohn**, corporate VP of Whirlpool Corp. and president of Kenmore Appliance Group; **Lawrence J. Kremer**, corporate VP and head of International Development Group; and **Stephen F. Holmes**, corporate VP of Technology and Group Services.

Bowman

Kaminski

Richard W. Aronson appointed district sales manager, Southern Florida, for Modern Maid.

KitchenAid names **Seymour Barker**, general manager, Central zone. Barker replaces **Tom Chapman**, who has moved to Whirlpool Kitchens.

Ronald J. Weiskircher joins Caloric as VP, finance.

STAT WATCH

MAJOR HOME APPLIANCE INDUSTRY SHIPMENTS*, THOUSANDS OF UNITS
January, 1988

	January 1988	January 1987	Percent Change
ALL MAJOR APPLIANCES**	**3,557.1**	**4,055.8**	**-12.3**
COOKING — TOTAL	**1,178.1**	**1,572.0**	**-25.1**
Electric Ranges — Total	235.4	281.1	-16.3
Free Standing	188.1	227.6	-17.4
Built-In	47.2	53.4	-11.6
Microwave Ovens/Ranges***	956.8	1,306.3	-26.8
HOME LAUNDRY — TOTAL	**943.4**	**940.5**	**+ 0.3**
Automatic Washers	530.7	505.6	+ 5.0
Dryers — Total	412.7	434.9	- 5.1
Electric	320.8	341.7	- 6.1
Gas	91.9	93.2	- 1.4
KITCHEN CLEAN UP — TOTAL	**683.7**	**805.0**	**-15.1**
Disposers#	360.9	449.3	-19.7
Dishwashers — Total	307.1	337.3	- 9.0
Built-In	282.6	312.8	- 9.7
Portable	24.5	24.5	0.0
Compactors#	15.8	18.5	-14.6
FOOD PRESERVATION — TOTAL	**535.3**	**557.7**	**- 4.0**
Refrigerators	444.3	473.8	- 6.2
Freezers — Total	91.0	84.0	+ 8.3
Chest	49.9	45.7	+ 9.2
Upright	41.1	38.3	+ 7.3
HOME COMFORT — TOTAL	**216.4**	**180.5**	**+19.9**
Room Air Conditioners	199.7	154.8	+29.0
Dehumidifiers#	16.7	25.7	-35.0
GAS RANGES##	**159.4**	**181.3**	**-12.1**

* Domestic plus export shipments: includes both U.S. produced and imported products.
** Numbers do not add because of overlapping product categories.
*** Includes microwave ovens and combination microwave ovens/ranges.
# Current month figures are preliminary.
Source: GAMA. Not included in cooking total or total shipments. Current month figures are preliminary.
Source: AHAM (Assn. of Home Appliance Manufacturers).

NOTE

ONLY THE FOLLOWING PAGES OF THIS

PUBLICATION HAVE BEEN FILMED

Cov. 1, pgs. 3, 4, 65, 74

MAY 1988/$7.00

CG740-1
5/24/88

Dealerscope Merchandising

The Marketing Magazine for Consumer Electronics and Major Appliance Retailing

16 Things To Avoid When Expanding

Don't Try to Wear Too Many Hats

The Industry's 400

14 Promotable Appliance Features

6 Hot Video Titles
E.T. A Sure Winner

10 Technologies For The 1990s
Coming: The Digital Decade

60 A/V Terms Explained

67 Industry Notables

7 Store Opening Ideas

STATI452EA2 DC 56 2 MAY
STATISTICAL REF INDEX
STE 800
4520 EAST WESET HWY STA
BETHESDA MD 20814

Dealerscope Merchandising
MURRAY SLOVICK
Editor
NEIL SPANN
Executive Editor
ANDY WICKSTROM
Managing Editor
CATHY CICCOLELLA
Senior Editor
MYRA MOORE
Associate Editor
CAROL L. MINTON
Associate Editor
BETH KAY
Assistant Editor
ELLIOT KING
West Coast Editor
FRANK MOORE
Art Director
HARISH ULLAL
Art Associate
JOSEPHINE KUKUKA
Advertising Production Manager
JEANNE SILVERMAN
Advertising Promotion Manager
NANCY ZIPPLER
Promotion Art Director
LEE EKELOF
Circulation Promotion Manager
PATRICIA NICHOLS
Reader Service
PHYLLIS B. PRITZ
Circulation Manager

MARTIN M. COHN
Publisher

SALES & MARKETING STAFF
BERNARD M. SCHNEYER,
President
410 Union Ave., Framingham, MA 01701
(617) 620-8770
East Coast Regl. Sales
LIZ BADOLATO
322 Eighth Ave., New York, NY 10001
(212) 620-7330
ANDREW J. MILLER
Associate Publisher
WILLIAM POWELL
Midwest Regl. Manager
201 E. Ogden Ave.
Suite 226
Hinsdale, IL 60521
(312) 325-9555
JOHN J. PELEGRINO
West Coast Regl. Manager
13101 Washington Blvd.,
Los Angeles, CA 90066
(213) 822-7584
Dealerscope Merchandising
is published monthly by
North American Publishing Co.
IRVIN J. BOROWSKY
Founder and Chairman
NED S. BOROWSKY
President
JOANNE PARKE
Vice President/Corporate Editorial Director
FRANK L. NEMEYER
Vice President/Sales
BRUCE W. SHANZER
Vice President, Treasurer
R. KENNETH BAXTER
Vice President/Manufacturing
ROBERT A. GIBBONS, SR.
Asst. VP/Manufacturing
JANICE WALKER
General Manager for Human Relations
RONALD CYLC
Corporate Circulation Director of Audits
NANCY FRICK
Corporate Promotion Director
TERY MORAN-LEVER
Director Special Projects
AARON L. BASFORD
Composition Director
MICHAEL SHERLOCK
Art Department Director
MADELINE SACERDOTE
Classified Production Manager
COLLEEN KOKOSKA
Director of Sales Development
Copyright © 1988 North American Publishing Co.,
Editorial and Publishing Offices, 401 N. Broad St.,
Philadelphia, PA 19108. Phone (215) 238-5300.
North American Publishing
Company is a diversified publisher of
Business and Professional Magazines.
Subscriptions, U.S. $65/year; Canada, US $84; other
countries, US $132. Back issues and single copies,
when available, mailed by publisher postage paid for
$10. Postmaster: Send change of address form 3579 to
DEALERSCOPE MERCHANDISING,
401 N. Broad St., Philadelphia, PA 19108. BPA

Playing the Megadeal Game

THERE'S a board game currently played by the world's corporate giants. It's called "Mergers and Acquisitions." The latest player is Campeau Corp., which recently concluded a successful two-month battle for Federated Department Stores. The Toronto-based real estate developer paid $6.58 billion and beat out R.H. Macy and Co. in the largest such deal not involving oil companies. Campeau will sell off some Federated discount store and specialty store chains to help pay the debt it has incurred in the takeover, but it will retain Abraham and Straus, Burdine's, Bloomingdale's, Goldsmith's and Lazarus.

While it is difficult to determine whether Campeau or Macy's would be a better partner for Federated, the recent spate of mergers could prompt legislators to make takeovers more difficult, through legal constraints. We disagree. Megadeals may change the face of the retail community in the future, but takeovers—and the threat of takeovers—force executives to run their firms more efficiently and maintain tight focus on their businesses.

Coming: VAT?

IF you've been holding your breath waiting for Congress to carry through its threat to impose a European-style value added tax as a means to reduce the national debt, relax. It's not going to happen under the Reagan administration. Next year, however, regardless of which party occupies the White House, chances are strong Congress will approve a national tax on consumer electronics products.

Unfortunately, finding legislators brave enough to champion the consumer electronics cause won't be easy. Despite the fact that the industry employs thousands of Americans in manufacturing, sales, distribution and retailing, the industry is perceived as "Japanese." This perception always provokes vociferous opposition from lawmakers who cling to the notion that this country's trade and budget deficit will disappear through a tax on our products.

What they don't realize is that competition in this country is likely to be different in the future. With U.S. wage levels now below those of West Germany and Japan—and approaching those of France and Italy—(mostly, but not entirely, due to the shift in the dollar) most goods will be produced here by U.S.-based, if not always U.S.-owned, companies. Any tax on sales will only reduce sales, not reduce America's stubborn trade deficit.

May 1988
Volume 30, No. 4

Dealerscope Merchandising

Page 12

Page 34

Page 64

DEPARTMENTS

Periscope	3
Newswatch	6
Market Trends	
Cellular	40
New Products	
Video	38
Mobile Electronics	49
Audio	50
Software Titles	59
Industry Perspectives	43
Statwatch/People	
Consumer Electronics	65
Major Appliances	74
Calendar	75
Ads That Work	
Consumer Electronics	42
Major Appliances	70
Marketing Tips	64
Classified	76
Ad Index	78

Honor Gallery
R. Berger, *page 21* J. Widlicka, E. Zinn, R. Burnett, P. Adams, S. Bauer, *page 29* J. Klein, T. Murray, D. Krumm, *page 68*

The Dealerscope Merchandising 400

Winning video software titles	12
Technologies for the 1990s	16
Ways to motivate salespeople	21
Growth markets to watch	22
Memorable events in video	30
Sales promotion planning	30
Store traffic builders	32
Appliance features that sell	68

HOME OFFICE RETAILING

Latest in the home office market	47

ELECTRONICS MERCHANDISING

New promotion opportunities	34

ENTERTAINMENT MERCHANDISING

Examining the breadth-of-copy problem	57
Video Update: State of the market	58

MAJOR APPLIANCE MARKETING

Kitchen and Bath Show Report	73

DEALERSCOPE MERCHANDISING (ISSN 0011-7218) is published monthly by North American Publishing Co., 401 N. Broad St., Philadelphia, PA 19108. Telephone (215) 238-5300. Copyright © 1988 by North American Publishing Co. All rights are strictly reserved, and reproduction in whole or in part is expressly prohibited without prior written permission. Subscriptions cost $48 per year in the U.S. In Canada, $72; other countries, $132. Back issues and single copies, when available, mailed by publisher postage paid for $10.
Second class postage paid at Philadelphia, PA and additional entry. Postmaster: Send change of address form 3579 to DEALERSCOPE MERCHANDISING, 401 N. Broad St., Philadelphia, PA 19108.

PEOPLE ON THE MOVE

Yamaha Electronics names **Irwin Zucker** product manager.

Maurice de Hond named president of Vendex Pacific.

Code-A-Phone names **Viston Smith** director, marketing.

Goodtimes/Kids Klassic Distributing Corp. names **William B. Follett** COO.

Robert D. Gordon named VP, marketing and sales for Whistler Corp.

Dennis Burke appointed president of Dynascan's Cobra Electronics Group.

Gordon

Burke

Thomson Consumer Electronics names four VPs: **Donald G. Dight**, VP, information systems; **William F. Martx**, VP and general counsel; **Alan J. McDonald**, VP, employee relations; and **Ronald D. Yancey**, VP, finance. Also, **Joseph P. Clayton** promoted to VP, product manager, as part of realignment of the sales and marketing functions involving the RCA and GE brands; and **Dennis D. Edson** named general manager, distributor and special products operation.

Dight

Yancey

Norma Levy appointed VP, business affairs, for Heron Communications and its four divisions including Media Home Entertainment, Fox Hills Video, High-Tops Video and Condor Video.

Scholastic Software names **Peter Kelman** VP and publisher.

Kraco appoints **Maurice Nieman** VP, telecommunications division.

Nieman

Golderer

Okidata names **Edward Golderer** VP, marketing.

Minoru Yoshimura named board chairman of Fotomat Corp., a subsidiary of Konica Corp. **Masanori Ishiko** replaces Yoshimura as president of Konica U.S.A.

Fuji Photo Film U.S.A. appoints **William Drysdale** audio product manager, magnetic products division.

Drysdale

Brown

Falcon Safety Products names **Robert W. Brown** director, marketing and sales.

Sharon Black named media coordinator at Orion Home Video.

Len Schneider appointed national product/advertising manager at Onkyo.

STAT WATCH

TOTAL U.S. MARKET STATISTICS
Sales to Retailers
February 1988 vs. February 1987
(In Units)

	February 1988	February 1987	Percent Change	Year-to-date 1988	Year-to-date 1985	Percent Change
TELEVISION						
Color	1,336,787	1,424,569	– 6.2	2,558,513	2,787,851	– 8.2
Monochrome	180,337	240,507	–25.0	386,305	500,501	–22.8
TOTAL TV*	**1,517,124**	**1,665,076**	**– 8.9**	**2,944,818**	**3,288,352**	**–10.4**
Projection TV	16,899	22,364	–24.4	38,729	43,630	–11.2
Home VCR	827,664	979,271	–15.5	1,647,727	1,988,342	–17.1
Camcorders**	87,380	66,000	+32.4	168,674	151,933	+11.0

Information contained in this release reflects total market statistics for products produced and/or sold in the United States regardless of the brand name or country of origin.

*Excludes Projection Television
**Included in Home VCR
Source: Electronics Industries Association Consumer Electronics Group.

PEOPLE ON THE MOVE

Changes at Maytag: **Carleton F. Zacheis** promoted to corporate VP, planning and product services; and **C. Wayne Creagan** elected to board of directors. Also, **Keith Comly** and **Edward W. Rumsas** appointed VPs of Domicor, the international subsidiary of Maytag Corp.

Comly

Hamilton

John Lomacz appointed VP, sales and marketing at Dacor.

Caloric promotes **Bruce W. Mann** to VP, Topton operations.

AHAM names **Wayne Hamilton** director of gas appliance services and **James Nolan** VP, portable appliance.

William Lanham joins Welbilt Corp. as president and COO of Welbilt's Food Machinery Engineering subsidiary.

The Laundry division of White Consolidated Industries Major Appliance Group names **Thomas S. Kaczmarek** VP, marketing.

STAT WATCH

MAJOR HOME APPLIANCE FACTORY SHIPMENTS THOUSANDS OF UNITS
February, 1988

	February			Calendar Year to Date		
	1988	1987	% Change	1988	1987	% Change
ALL MAJOR APPLIANCES**	**3,892.7**	**3,595.6**	**+ 8.3**	**7,612.3**	**7,831.7**	**- 2.8**
COOKING — TOTAL	**1,347.1**	**1,244.2**	**+ 8.3**	**2,678.9**	**2,996.6**	**-10.6**
Electric Ranges — Total	243.7	247.5	- 1.5	479.0	528.6	- 9.4
Free Standing	192.5	195.9	- 1.7	380.7	423.5	-10.1
Built-In	51.1	51.6	- 1.0	98.3	105.0	- 6.4
Gas Ranges — Total	168.6	160.2	+ 5.2	322.3	340.5	- 5.3
Free Standing	159.3	150.7	+ 5.7	303.2	321.6	- 5.7
Built-In	9.3	9.5	- 2.1	19.1	18.9	+ 1.1
Microwave Ovens/Ranges***	950.0	850.1	+11.8	1,907.6	2,156.4	-11.5
HOME LAUNDRY — TOTAL	**912.1**	**812.4**	**+12.3**	**1,855.5**	**1,752.9**	**+ 5.9**
Automatic Washers	519.1	446.6	+16.2	1,049.8	952.2	+10.2
Dryers — Total	393.0	365.8	+ 7.4	805.7	800.7	+ 0.6
Electric	304.6	285.3	+ 6.8	625.4	627.0	- 0.3
Gas	88.4	80.4	+10.0	180.3	173.7	+ 3.8
KITCHEN CLEAN UP — TOTAL	**678.6**	**710.0**	**- 4.4**	**1,362.7**	**1,515.0**	**-10.1**
Disposers#	359.7	367.2	- 2.0	721.0	816.5	-11.7
Dishwashers — Total	298.0	323.5	- 7.9	605.0	660.8	- 8.4
Built-In	275.0	302.6	- 9.1	557.6	615.4	- 9.4
Portable	22.9	20.9	+ 9.6	47.5	45.4	+ 4.6
Compactors#	20.9	19.3	+ 8.3	36.7	37.7	- 2.7
FOOD PRESERVATION — TOTAL	**566.7**	**543.2**	**+ 4.3**	**1,103.8**	**1,101.0**	**+ 0.3**
Refrigerators	477.4	461.1	+ 3.5	923.3	934.9	- 1.2
Freezers — Total	89.3	82.1	+ 8.8	180.5	166.1	+ 8.7
Chest	48.5	45.4	+ 6.8	98.5	91.1	+ 8.1
Upright	40.8	36.7	+11.2	82.0	75.0	+ 9.3
HOME COMFORT — TOTAL	**388.3**	**285.8**	**+35.9**	**611.4**	**466.3**	**+31.1**
Room Air Conditioners	324.1	242.9	+33.4	523.8	397.7	+31.7
Dehumidifiers#	64.2	42.9	+49.7	87.6	68.5	+27.9

*Domestic plus export shipments: includes both U.S. produced and imported products.
**Numbers do not add because of overlapping product categories.
***Includes microwave ovens and combination microwave ovens/ranges.
#Current month figures are preliminary.
Source: AHAM (Assn. Home Appliance Manufacturers).

NOTE

ONLY THE FOLLOWING PAGES OF THIS

PUBLICATION HAVE BEEN FILMED

Cov. 1, pgs. 5, 6, 149, 161

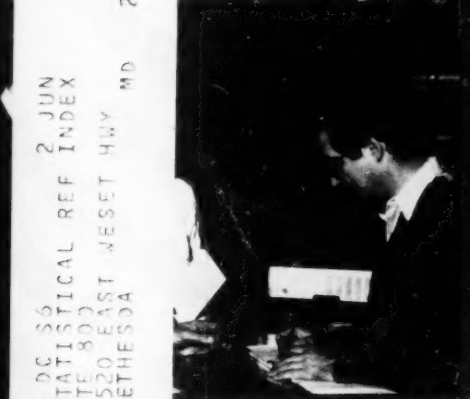
CG740-1 A
6/10/88

Dealerscope Merchandising

JUNE 1988
$7.00

The Marketing Magazine for Consumer Electronics and Major Appliance Retailing

E ABC's SELLING



S DOC SD
STATISTICAL REF INDEX
STE 800
4520 EAST WEST HWY MD 20814
BETHESDA STA
2 JUN

V salespeople tell how it's done

SHOWTIME!

BIG WINNER AT CES: Home/Office

SCES '88 line intros: CD, fax, vidgames buying binge

Will new taxes KO '89 sales?

PROFILE: Blockbuster Video

Dealerscope Merchandising
MURRAY SLOVICK
Editor
NEIL SPANN
Executive Editor
ANDY WICKSTROM
Managing Editor
CATHY CICCOLELLA
Senior Editor
MYRA MOORE
Associate Editor
CAROL L. MINTON
Associate Editor
BETH KAY
Assistant Editor
ELLIOT KING
West Coast Editor
FRANK MOORE
Art Director
HARISH ULLAL
Art Associate
JOSEPHINE KUKUKA
Advertising Production Manager
JEANNE SILVERMAN
Advertising Promotion Manager
NANCY ZIPPLER
Promotion Art Director
LEE EKELOF
Circulation Promotion Manager
PATRICIA NICHOLS
Reader Service
PHYLLIS B. PRITZ
Circulation Manager

MARTIN M. COHN
Publisher

SALES & MARKETING STAFF
BERNARD M. SCHNEYER,
President
410 Union Ave., Framingham, MA 01701
(617) 620-8770
East Coast Regl. Sales
LIZ BADOLATO
322 Eighth Ave., New York, NY 10001
(212) 620-7330
ANDREW J. MILLER
Associate Publisher
WILLIAM POWELL
Midwest Regl. Manager
201 E. Ogden Ave.
Suite 226
Hinsdale, IL 60521
(312) 325-9555
JOHN J. PELEGRINO
West Coast Regl. Manager
13101 Washington Blvd.,
Los Angeles, CA 90066
(213) 822-7584

Dealerscope Merchandising
is published monthly by
North American Publishing Co.

IRVIN J. BOROWSKY
Founder and Chairman
NED S. BOROWSKY
President
JOANNE PARKE
Vice President/Corporate Editorial Director
FRANK L. NEMEYER
Vice President/Sales
BRUCE W. SHANZER
Vice President, Treasurer
R. KENNETH BAXTER
Vice President/Manufacturing
ROBERT A. GIBBONS, SR.
Asst. VP/Manufacturing
JANICE WALKER
General Manager for Human Relations
RONALD CYLC
Assistant Vice President, Circulation
NANCY FRICK
Corporate Promotion Director
TERY MORAN-LEVER
Director Special Projects
AARON L. BASFORD
Composition Director
MICHAEL SHERLOCK
Art Department Director
MADELINE SACERDOTE
Classified Production Manager
COLLEEN KOKOSKA
Director of Sales Development
BETTY LAYBERGER
Vice President, Circulation
LORI SOLOMETO
Director, Circulation Promotion

Copyright © 1988 North American Publishing Co., Editorial and Publishing Offices, 401 N. Broad St., Philadelphia, PA 19108. Phone (215) 238-5300.

North American Publishing Company is a diversified publisher of Business and Professional Magazines.

Subscriptions, U.S. $65/year; Canada, US $84; other countries, US $132. Back issues and single copies, when available, mailed by publisher postage paid for $10. Postmaster: Send change of address form 3579 to DEALERSCOPE MERCHANDISING, 401 N. Broad St., Philadelphia, PA 19108.

VBPA

No Optical Illusion

IT IS quite possible that the Consumer Electronics Show of summer 1988, being presented this week in Chicago, will be remembered less for product introduction and more for sound effects: the high-pitched hiss of steam going out of consumer spending in several product categories.

Which makes it more difficult for the typical showgoer, up to his eyeballs in brochures, sales managers and hosted dinners, all the while worrying if he's getting the best price, to remember that the main point of CES is to plan for the future. A future that increasingly looks as if it will be dominated by laser optical media in audio, video and computer applications.

Compact discs you know about. CDs are, as they say, hot. How hot are they? According to the Recording Industry Association of America (RIAA) 102.1 million CDs were sold last year and more CDs than LPs will be sold this year, a first. At CES you'll see every variation of CD and CD player, as well as CD singles, CD Video and CD Graphics software and hardware. There is also a better than even chance someone will display CD-I (interactive) and data storage CD-ROM equipment. Look, too, for discussion of erasable CD technology that would allow repeat recording, as being developed by Tandy and others.

Wags and doubters who deny the optical video disc as a mass market item can no longer look to shortcomings in the product mix to support their claim. At CES, combination LV/CD players will be displayed by Yamaha, Sony, Sanyo and others, in addition to new models offered by current suppliers Pioneer and Magnavox. At least one model, Pioneer's LD-W1, offers four-side (double disc) capability, allowing the user to play both sides of two discs without changing or turning over the disc.

With emphasis on videotape software shifting from rental to sell-through, and with CD video applications emerging, the time could be right to take a second, longer look at LV as part of an all-optical marketing strategy.

Murray Slovick

DEALERSCOPE MERCHANDISING (ISSN 0011-7218) is published monthly by North American Publishing Co., 401 N. Broad St., Philadelphia, PA 19108. Telephone (215) 238-5300. Copyright © 1988 by North American Publishing Co. All rights are strictly reserved, and reproduction in whole or in part is expressly prohibited without prior written permission. Subscriptions cost $48 per year in the U.S. In Canada, $72; other countries, $132. Back issues and single copies, when available, mailed by publisher postage paid for $10.

Second class postage paid at Philadelphia, PA and additional entry. Postmaster: Send change of address form 3579 to DEALERSCOPE MERCHANDISING, 401 N. Broad St., Philadelphia, PA 19108.

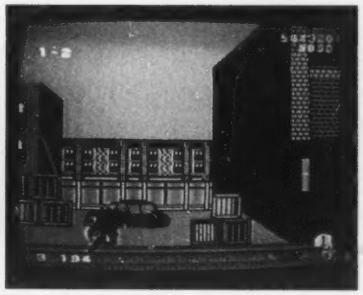
June 1988
Volume 30, No. 6

Dealerscope Merchandising

DEPARTMENTS
Periscope 5
Newswatch 10
Bob O'Neil 18
Market Trends
Video Software 41
Blank Tape 62
Telecom 66
HDTV 83
Audio 98
Major Appliance 151
New Products
Software Titles 43
Home Office 46
Video Games 68
Autosound 76
Telecom 81
Satellite 94
Mobile Electronics 109
Video Hardware 115
Major Appliance 152
Electronics Merchandising 86
Industry Perspectives 116
Ads That Work 118
Statwatch/People
Consumer Electronics 149
Major Appliance 161
Calendar 162
Classified 163
Ad Index 164

Cover Honor Gallery
Joseph Fogliano, *page 149*
Shigera Inagaki, *page 105*
Bob Shiff, *page 49*
Arthur Morowitz, *page 42*
Bill Skyrme, *page 10*
Koyo Yokoi, *page 62*
Bob Borchardt, *page 125*
Jerry Cope, *page 160*
Jim Whims, *page 149*

Page 20



Page 68

Selling at Retail: Secrets of the Superstars
Six of the best tell how it should be done 14

Dealmaker
Blockbuster acquires Major Video in push to become #1 20

Future Shock
No new taxes this year, but watch out for '89 26

Stylish Superstore
Al Rubin's third outlet is his biggest — and best 28

Successful by Design
A glimpse at the fashionable future of retailing 30

Driving Ambition
Car stereo suppliers take on Detroit's challenge 32

Drive-through Rentals
Video Hut formula emphasizes convenience 38

Home Office Retailing
DM Roundtable 49

New and Improved: 1988 SCES Line Intros 91

Major Appliance Marketing 150